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A Defense of Mr. Sullivan's
Propositions, with an Answer to
the Objections Against Them

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M R. S U L I V A N ' S
P R O P O S I T I O N S,

With an ANSWER to the OBJECTIONS
against them ;

IN A LETTER TO
The Proprietors of East India Stock.



L O N D O N :

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D E F E N C E

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M R. S U L I V A N ' S

P R O P O S I T I O N S, &c.

OCT 10 1940

Zamboni

THE plan lately given in to the East India Company by Mr. Sullivan, to serve as a basis of negotiation with government, upon the great matters now in agitation between them, seeming to bid fairer than any thing hitherto offered, for accomplishing the desirable end of accommodation, it may not be improper, for the satisfaction of the public in general, as well as of those whose interests are more immediately concerned, to examine this plan, to demonstrate its advantages, and to refute

B the

the objections which ignorance envy and faction have thrown out against it.

I think it may be observed, to the honour of the worthy gentleman who offered it, That although he must have known that the whole power of direction would be employed to depreciate whatever proposal should come from him, yet, without regarding the hazard he run of affording a triumph to his adversaries, by a hasty decision upon a matter of such moment, he readily yielded to the solicitation of the Proprietors, and in three days time digested and prepared his propositions, boldly throwing them out to be peck'd at by the whole flock of his opponents. Indeed I confess that, to me, this circumstance of haste appears to have been in his favour; if he had had time to have consulted all his friends, and opportunity to have called them in, to a secret conclave at Leadenhall, he might perhaps have produced a plan as injudicious as perplexed, and as *inadmissible* as that of the Directors.

I shall

I shall here give Mr. Sullivan's propositions according to a copy which I am assured is exact, and which, if otherwise, that gentleman may have an opportunity of disclaiming, and I shall readily acquiesce in the correction.

Propositions to serve as the basis of a negotiation with government.

- I. That the present charter of the East India Company, which expires in 1780, be extended to the year 1817, being fifty years from the present time.
- II. That out of the territorial revenues of Bengal, Bahar and Orixá, and of the five Northern Provinces on the coast of Coromandel, there shall first be deducted the whole expence of the military establishment (which shall remain under the direction of the Company as at present) also the expences of repairing old fortifications, and building new ones, and of collecting the said territorial revenues : and that out of the re-

sidue, there shall be deducted a sum sufficient to pay the Proprietors a dividend of 14 *per cent.* for fifty years on their capital Stock, when increas'd to four millions ; and that the net remainder shall be the property of government, and valued at two shillings and a penny Sterling, the current rupee ; for which the Agents of the Company shall draw bills in favour of the Chancellor of the Exchequer for the time being, payable six months after the sale of those cargoes in which the merchandize purchased therewith shall have been invested.

III. That the East India Company shall have leave to raise a sum of two millions Sterling, by increasing their capital eight hundred thousand pounds, at 250 *per cent.* in which the present Proprietors shall be entitled to a preference, in proportion to their respective shares in the present capital Stock. The payments to be made as follows :

£.

20 per cent.	on Friday, April 24,	400,000
10 ditto,	- Friday, June 5,	200,000
20 ditto,	- Friday, July 3,	400,000
15 ditto,	- Friday, Aug. 14,	300,000
10 ditto,	- Friday, Sept. 25,	200,000
15 ditto,	- Friday, Oct. 30,	300,000
10 ditto,	- Wedn. Dec. 2,	200,000

On receipts not bearing any interest, but from and after the said second day of December, the new Stock shall become consolidated with the old, and shall be intitled to the Christmas dividend.

And of the two millions so raised, 1,200,000 l. shall be applied to the discharge of the Company's debts; and the remaining 800,000 l. shall be applied as in the next proposition.

IV. That the sum of 800,000 l. be paid to government, within twelve months from the present time; which sum, together with the advantages specified in the second article, shall be in consideration of the extension of the charter, and

and of such relief, in point of duties on tea, muslins and calicoes, as to the wisdom of parliament shall seem meet; and that the public shall be entitled to the advantages mentioned in the said second article, from the first day of January 1767.

By the above plan, the seeming impracticability of separating the revenue from the trade, is not only got over, but the whole profits of the trade may either be annually laid up as a fund to guard against contingent emergencies, or applied to the future increase of dividends beyond the 14 *per cent.* reserved as above; and which may (if the Proprietors see fit) be declared at Christmas next.

The first article of the foregoing propositions, which stipulates a renewal of the charter, is so plain, and so conformable to the general sense of the Company, that it requires neither defence nor explanation. The second I shall discuss very minutely, as it is in this that Mr. Sullivan chiefly differs from the Directors, and displays that clear-

clearness and precision, which enabled him to obviate all the difficulties and perplexities of their plan.

He sets out upon a principle of reason and justice, that the whole expences of securing and collecting those revenues should be first deducted out of them. Nothing surely can be more equitable than this; and government, if they really intend an amicable accommodation with the Company, can never refuse it. The condition of leaving every thing still under the Company's management, is honourable for us, and, I think, in sound policy, advantageous to the nation. By this the jealousy of foreign states, from beholding so immense a revenue immediately in the possession of Great Britain, may be in great measure avoided, the confusion and discord which would eternally prevail between the King and the Company's officers in India, to their mutual prejudice, totally prevented, and the dangerous accession of power, which the disposal of so many places might throw into hands of an aspiring minister, at the hazard of our liberties, effectually guarded against.

Mr. Sullivan next proposes, that 14 *per Cent. per Ann.* for fifty years, upon the whole capital of the Company, should be allowed, out of the neat territorial revenues, as a dividend to the Proprietors. I will venture to pronounce that there is no real proprietor, however sanguine in his expectations, who would not be glad to see the negociation brought to a termination upon that footing. Fourteen *per Cent.* secured for so long a period, besides the profits of trade, which may be computed at fourteen more, may be esteemed a reasonable gain; and none but stockjobbers, who abhor all certainty, as tending directly to spoil their game, could ever dream of opposing it. There may indeed be some men of real property, who, although they would cheerfully accept of those terms, wish to have them deferred or concealed until they shall possess themselves, at an under-rate, of the largest share of Stock which they are capable to hold.

After these deduction of expences, and the 14 *per Cent.* to the proprietors, Mr. Sullivan proposes that the clear balance
should

should be given to the state ; and, to avoid all disputes and intricate settlements of accounts with government, fixes the mode of payment, by draughts upon the Company payable to the Chancellor of the Exchequer. The valuation of a rupee at 2s. 1d. is undoubtedly in favour of the Company. The weight of a sicca rupee is seven penny-weights eleven grains, and its fineness $16\frac{1}{2}$ better than standard silver. Upon these principles, let any man make the calculation, and he will soon convince himself *who* will have the best of that agreement ; a secret which we have no business to reveal. I will further refer, as a fact, to any man, conversant in the currency of that country whether he cannot purchase more goods or provisions in Bengal with a current rupee than with 2s. 1d. in any British coin ; and it is well known that the common exchange there has been, for years past, never under 2s. 3d. the rupee : but at all events this never can be the subject of dispute in a negociation, when the main articles are agreed to.

It may here be remarked, with how much ease Mr. Sullivan has got over the difficulty which puzzled the twenty-four Directors and their seven Cabinet Counsellors. They deemed it impracticable to distinguish between revenues and trade, and therefore made a rash and dangerous offer to administration, which however the latter had honesty enough not to accept. Had the State been once associated a partner with the Company, not only the exclusive gains arising from the vast commerce of China, and the various branches of the Indian traffic, to which government does not pretend the smallest claim, must have been shared with it, but also every equipment, every voyage must have been under the controul of a minister, unskilled in commercial affairs, yet by his situation obliged to decide, and our books left open to the inspection of every little clerk of the treasury: thus sacrificing the dignity, interests, and independence of the Company to the imbecility or sinister designs of their Directors.

But by the proposition now in question your commerce is left free and independent,

you have no accounts of profits to render to any minister, and you enjoy the further facility of making all your investments with the government's money, only to be replaced six months after your sales are made; the interest of the State and of the Company so happily blended together, that protection, favour, and encouragement must necessarily flow from the one, and proper submission, zeal, and attachment from the other.

I come next to examine the third proposition; and here, I think, I can discover the same penetration and clearness of head which so easily overcame the difficulties in the former article. Here is a plain method devised, by which the Company raise a sum to acquit their debts, make a handsome present to government, and increase their own capital at the same time. The crude and absurd method proposed by the Directors of borrowing at one hand to pay off at the other, without easing the Company, could only have turned out a money-making job to those who were let into the secret; and no doubt their seven sage Advisers, like

the Wise Men in the East, would have been the first to see the *Star*, and worship it. But Mr. Sullivan takes away all possibility of favour to particular men, the present price of stock is made to turn out to public emolument ; every individual in the Company must reap the benefit of the general debt being paid off. The new subscription also offers terms sufficiently advantageous to those who choose to embark in it, and the preference is justly preserved to the present Proprietors, in proportion to their stock. This preference also bears undoubted testimony to the great disinterestedness and fair dealing of Mr. Sullivan. Had he once thought of making a job of it, he had friends enough to take the whole subscription among them. The objection of those who say that the price of the subscription is too high, and that it will not fill, is very frivolous ; for at the very time of Mr. Sullivan's giving that preference to the actual Proprietors which they have a right to, he had in his pocket the names of *ten men only* for the whole subscription. The Dutch also are so much convinced of the superior value of the stock on Mr. Sullivan.

Sulivan's plan, that they are now quarrelling about the right to the subscription, saying, that every person who holds stock in his name for others, by loan or otherwise, is intitled to his share, till such time as the stock is actually taken out of his hand. This can be founded only on their thinking the stock intrinsically worth more than the price of the subscription ; yet it is not fair that they who have actually sold their stock, but not delivered it, or who hold it in mortgage, should profit at the expence of the buyer, or borrower. I say, it is not fair, as they would not hold themselves bound to take any share of the subscription, if it was above the real value of the stock, and therefore I hope Mr. Sullivan will take care to explain himself fully on this head.

The last article, which stipulates the payment of the 800,000l. to government, as an equivalent for the prolongation of our charter, and other advantages in trade, is judicious and equitable ; and when we consider that this equivalent is to be paid, and these

these advantages obtained, without any real expence to the Company, we cannot enough approve of the mode of effecting it, especially as this payment of 800,000*l.* secures 14 *per cent.* on the whole capital to the Proprietors.

Such are the propositions which Mr. Sullivan offers, as the ground-work of a negotiation with government; and I challenge every impartial man to declare whether he has not, with a due attention to the demands of the state, preserved a reasonable and solid benefit to the Company, from the acquisitions lately made.

And yet this plan has met with opposers; their arguments, indeed, mostly partial, nugatory, and fallacious. One man who signs a PROPRIETOR in a daily paper, has pretended to refute it by calculation: but unluckily for him his errors are so manifest, that they carry contradiction in the very face of the account. It is therefore almost unnecessary to expose them. However, as I am told that this *candid* performance

formance is claimed by a Director, from the respect that I bear to the honourable board, I shall here examine it, and leave the reader to judge whether ignorance or misrepresentation had the greatest share in the composition.

To the Printer of the GAZETTEER.

“ As Mr. Sullivan’s plan has appeared in the public papers, I think every man is at liberty to give his sentiments upon it; and I submit the following *dissection* of his second proposition to the public.

“ He proposes to deduct 560,000*l.* from the revenue at Bengal, and the five Sircars (or provinces of Golconda) for a dividend of 14 *per cent.* to the Proprietors, and the residue to be the property of the government, and to be paid to them six months after the sale of the cargoes of the year in England, at 2*s.* 1*d.* the current rupee. Let us see how this will operate.

The five Sircars are not yet in our possession; but we will suppose they were, and I will

estimate

estimate the revenues thereof,
and those of Bengal, all mili-
tary expences, and fortifica-
tions deducted, at - - £. 1,500,000

Deduct 14 *per cent.* to the Pro-
prietors - - - 560,000

The Company will have to pay
into the Exchequer - - 940,000

They will have to pay the cost
of cargoes out, suppose - - 460,000

Bills for coral, and remittances
indulged the servants, which
otherwise must go to French
and Dutch - - - 200,000

Interest on bonds, their own ma-
rine at home, warehouses, &c.
and contingent expences, sup-
pose - - - - 300,000

Sum total to be paid in England 1,900,000

They

They will have to receive the produce of their cargoes, which suppose increased from one million prime cost in India to 1,700,000 l. and, I believe, no man flatters himself with a possibility of extending it beyond that, even with all the assistance government can give; and considering how the increase in quantity would decrease the profit, I believe the most sanguine will not expect it to yield, clear of duties, &c.

above - - - £. 2,100,000

Deduct loss on remitting 940,000 l.

at 2s. 1d. which is 10 per cent.

above the real value - - 94,000

2,006,000

Thus the clear gain in Europe, supposing the whole chapter of accidents to be in favour of the Company; supposing universal peace in India; suppo-

It would be an easy matter to show that this Anatomy is not altogether upon the fallacy of the emperor of China to lay no embargo on the exportation of silk, and finally supposing every ship to arrive safe, would be 106,000l. which deducted from the 560,000l. for the 14 *per cent.* dividend, would sink annually out of the capital four hundred and fifty-four thousand pounds, which, in seven years, would be - £. 3,178,000

To be paid for prolonging the charter - - - - - 800,000

To make the plan admissable - - - - - 22,000

4,000,000

Some people may say, ' but there must be a great deal left in India : ' by my calculations, supposing no one military operation, there would be about 250,000l. *per ann.* but that is but a poor resource against accident and disappointments.

A PROPRIETOR."

It would be an easy matter to show that this *Anatomist* proceeds altogether upon false principles ; but to cut him up with his own knife, let us for once admit his data, and confine ourselves to show how he has gone on from blunder to blunder, in the calculations upon his own principles.

If, as he supposes, contrary to all information, that the whole revenues shall amount to no more than 1,500,000 l. there will certainly be payable to the government, yearly, no more than 94,000 l. I shall therefore admit this charge, as also the other articles of his debit, although very unexact and over-rated. But in examining the credit side of his account, we find an omission (perhaps a wilful omission) of 126,000 l. due from Government for interest of lent money ; and this appears more remarkable, as he has taken care to charge the Company with the interests payable by them. The credit he allows for the produce of our cargoes homeward is also very extraordinary. If the whole of the revenues, which he values at 1,500,000 l. clear,

the 200,000 l. received in cash for bills to the servants, and the 460,000 l. which he charges for the outward cargoes, in all 2,160,000 l. are invested in India, it is strange that they should produce no more in England than 2,100,000 l. clear. But he supposes only 1,700,000 l. invested, which is the exact sum of the two first articles; therefore the 460,000 l. with whatever profit it has produced in India, must remain there, and ought to have been brought into the account. How unfair and insidious a state this is, appears in his first supposing, without foundation, that the whole sum could not be invested, and then supposing all to be lost which he did not chuse to invest. *Dissector*, you had better have supposed the whole to be lost at once, to save the trouble of a calculation.

It is notorious that our outward trade yields a clear profit of about 30 *per cent.* but I shall suppose that the 460,000 l. sent from England produces 552,000 l. net, which is only 20 *per cent.* advance; and adding this to the 1,500,000 l. of clear revenue, and the amount of the bills, there will

will be found a sum of two millions two hundred and fifty-two thousand for investments in India. The profits on the homeward trade are known to be immense : they enabled us, in the worst of times, when we had an expensive war upon our hands, and borrowing money in India at 8 *per cent.* to divide 6 and 8 *per cent.* on our capital. At present, when we are in peace, and all charges of every kind defrayed out of the revenues, it is impossible to say what they may arrive at. It was generally computed that one pound in India produced three here, of which one went for freight, duties, &c. and one went to profits ; but I shall suppose that our investments of 2,252,000 l. in India turn out no more than 2,700,000 l. net here, which is after his own rate of calculation, and which would only afford a trifle more than a dividend of 10 *per cent.* to the Proprietors : yet even this is sufficient to expose the fallacy of his computation.

The deduction of 94,000 l. from our profits, which forms the last article of the *Proprietor's* state, is so palpably absurd that
it

it confutes itself. He charges that sum as lost by accepting of the rupee at 2 s. 1 d. sterling, when it is notorious to every man conversant in coins (as I have already shown) that the rupee is not over-valued; and discretion requires the Proprietors to be silent on this head.

Let us now see, even upon the erroneous principles of the *Dissector*, with only a correction of the different articles, how this will operate, according to his own phrase, and adopting his confused manner of blending revenues and trade together.

Dr. Company.

To the proportion payable to the Exchequer out of 1,500,000 l.	£.
the revenues of Bengal, &c.	940,000
To cost of cargoes out	460,000
To draughts from India for coral, &c.	200,000
To interest on bonds, &c.	300,000
	£. 1,900,000

Per Contra, &c.

Net produce of the re- venue of Bengal	£. 1,500,000
Net produce of the out- ward trade	552,000
The amount of Cash received for Bills	200,000
Total to be invested	£. 2,252,000
By the net produce in England of the above investment of lent money,	- - - - -
By interest of lent money due from government,	- - - - -
Amount	£. 2,826,000
Deduct the debit	1,900,000
So that there remains a clear ba- lance in the Company's hands of	926,000
Of which 14 <i>per cent.</i> on the capi- tal stock is to be paid to the Pro- prietors	560,000
And there will still remain an yearly sum at their disposal of	
	£. 366,000

Thus, by the *Anatomist's* own state rectified, we find a clear fund sufficient to allow the Proprietors an annual dividend of 14 *per cent.* and an overplus of 366,000*l.* to answer contingencies, or to be applied as an aggregate to the capital; so little did he know to make his principles and calculations coincide; and when, with the best heart in the world, he wanted to prove that an augmentation of 560,000*l. per annum* to the Company's income, would bring them to bankruptcy in seven years; he luckily had not *head* to execute it.

After I had begun to examine the states of this accountant, I had put into my hands a printed letter to the Proprietors, which, upon perusal, I find to be nothing more than the humble essay of my old friend promoted to a pamphlet. There is the same *honesty* in the state, the same *clearness* in the explanation, and every where the same masterly hand to be perceived that penn'd the other. It is needless therefore to enter into a particular discussion of his arguments; the same answer will do for both. I shall only subjoin a few structures, upon

upon a *choice* improvement, in this new edition.

Before he rose above the level of a newspaper, he contented himself with false charges and unfair omissions; but in this, he not only adopts all the falsities and omissions of the former, but has also, in the face of the public ventured, upon the most glaring contradiction that ever exposed a man to shame upon conviction, notwithstanding of his having allowed that the investment of two millions in India must yield an advance of 20 *per cent.* in England, and having given credit for 2,400,000*l.* accordingly; yet he, with barefaced assurance, states in the debit 650,000*l.* for freight. Now this sum of 650,000*l.* if deducted from the produce of his sales, which he puts down at 2,400,000*l.* leaves only 1,750,000*l.* so that our investments in India, instead of turning out to profit, must at that rate bring a loss of upwards of 12 *per cent.* To have advanced so palpable an absurdity, would have exposed him to the derision of every reader: He therefore seems to admit a profit of 20 *per*

E

cent.

cent. on the one hand, while he silyly and and insidiously steals into the other, a charge which takes that entirely away, and adds 12 *per cent.* dead loss, into the bargain. Such a behaviour must either proceed from the most gross stupidity, or from something worse, which I shall no further characterise, than by saying it is altogether unworthy of a gentleman.

And yet it is now said that this performance does not come from the *Director*, but from a *gentleman*, who stands a candidate for that office, and publishes this as a *theses* for his admission into that *learned college*. The only excuse that I have ever yet heard alledged is, That he is a poor *bear*, who sold out all, in hopes to lower the stock and buy in again; the contrary happened, stock rose, and he was left to suck his paws, and now runs round the Alley *mad* with rage and disappointment.

But to resume the subject. I imagine that to exhibit to the Proprietors a fair and candid state of what would be their real situation, according to Mr. Sullivan's plan,

would be an essential service done both to them and the public. I own myself unequal to the task, but I will endeavour to throw out a sketch which may serve to give some idea of the matter, until such time as that gentleman shall chuse to take this task upon himself.

First, Let me premise, that from the lowest estimates, even from my Lord Clive's state of receipts and disbursement, the clear revenues of Bengal, Bahar and Orissa, cannot fall much short of 1,700,000 l. and the net revenue of the five northern Sircars 300,000 l. and it is allowed that both are susceptible of great improvement; with what degree of modesty then, can our calculator above quoted (if he has any knowledge of the subject, or has had any communication of papers) set down the whole at no more than 1,500,000 l. I believe every man conversant in the affair, will acknowledge that it is a modest computation at two millions; but to give the fairest play to all opposers, I shall accept of his state, and rate them at no more than a million and a half.

That the whole of this revenue may be invested in trade, is a proposition that puzzles the understanding of none but the present Directors, their counsellors and *abettors*. If these men are so ignorant of the nature of commerce, and so confined in their ideas of its extent, as to declare this impossible, let them acknowledge their incapacity, and resign the management into hands that are both able and willing to undertake it. Mr Sullivan has said that he will both extend your trade and increase your profits, and this I believe he is very capable to perform. Without pretending to enter into that gentleman's ideas upon the manner, it is obvious to me, that it may be accomplished in various ways. To touch only upon the extension : shall we not have the advantage of all other European powers in our purchases ; by which it is highly probable, that the greatest part of the trade which they formerly carried on will fall into our hands. Does not the consumption of all sorts of Indian commodities daily augment in Europe ? and have we not an immense exclusive growing market in North America ? besides the facility of introducing them into the vast empire of Spain

Spain in that new world. To all this, if we add the opportunity we shall have to increase the sales, by an ease on the duties upon teas, &c. and the great field that opens to us for the importation of raw silk from Bengal, to supply our flourishing manufacture at home; I say, whoever considers this, will see no difficulty in investing much greater sums than we receive, in goods to supply the markets here. I shall therefore, in my calculation, suppose the whole invested and sent home.

As to profits it has been objected, that they must naturally diminish in proportion as the quantity of goods at market is increased: were this really to be the case, it would make no difference to the Proprietor, because his dividend is upon a fix'd capital, and not upon the sum actually employed in trade. A profit of 40 *per cent.* upon a cargo of one thousand pounds, yields no more dividend to him than a profit of 20 upon two thousand. It is therefore to be wished, as a national good, that the trade should be increased, even although the profits should be lowered, since it

it does no real prejudice to the Proprietor, and affords additional employment to our men and shipping. But the fact is at present, that the trade may be considerably increased, without the smallest diminution of our gains by the indulgencies from Government and relief of duties, which would enable us to sell our commodities cheaper to the consumer, still preserving the same profit to ourselves. Perhaps I might make a tolerable guess at our real profits upon the homeward cargoes ; perhaps it would not be prudent to expose them to the public ; but let any man consider the immense undertakings which they enabled us to carry through, besides paying a dividend to the Proprietors, and he will say that $33\frac{1}{3}$ per cent. clear upon the first cost, is a very moderate allowance. Nay, I am willing to rest the whole of my argument upon this single point, and be judged by the Directors. I shall, in the mean time, state the advance after that rate.

I shall suppose the outward cargoes 450,000 l. and allow them a profit in the country of 20 per cent. which will make the investment from that article 540,000 l.

As

As to the cash received into the treasury of Calcutta, for bills on England, I cannot see what reason there will be to receive it if we cannot remit it home, even although the French and Dutch should take it; but as this makes no real difference in the account I shall insert it.

In my state I cannot admit the complicated article of interests on bonds, variety of expences, &c. &c. valued at 300,000 l. as in the letter I take notice of, because I know the exact amount of interest is no more than 180,000 l. and also know that every other expence whatsoever is defrayed by a deduction of 5 *per cent.* at the bottom of the sales, and by the duties on private trade. I shall therefore charge it as it really stands.

I shall only add, with regard to the 800,000 l. of additional capital, that it cannot, in any shape, be brought in either as a charge or discharge in the yearly estimate of the Company's affairs. It procures, in fact, a relief of 1,200,000 l. of debt to the present Proprietors; and the dividend of

of 14 *per cent.* upon the 800,000, is the only charge that it brings upon them. I accordingly allow this in the article of dividend upon the consolidated capital.

Upon these principles I will now submit a calculation to my Fellow Proprietors, which they will acknowledge, however imperfect, to be at least fair and candid. I chuse to state, as the most distinct method, the whole monies received in England as a charge upon their cash, and all their payments of course as a discharge.

Dr. Cash (of the East-India Company)

Per Contra, Cr.

To the produce of the net revenue of Bengal, &c. being 1,500,000l. invested in goods, remitted home and sold, with a profit of 33½ per cent.	£.	
To the produce of the outward trade, being 540,000 l. invested, remitted, and sold with the same profit,	-	2,000,000.
To the produce of the cash taken up for bills in India, invested, &c. with the same profit,	-	720,000.
To interest received of government for lent money	-	266,000.
	-	126,000.
	£.	3,102,000.

By bills paid to the chancellor of the exchequer for the government's proportion of the revenue,	£.	940,000
By cost of cargoes out,	-	450,000.
By bills from India for cash paid into the treasury there,	-	200,000
By interest on bonds and annuities paid,	-	180,000
By a dividend of 14 per cent. on the capital of four millions, paid out of the revenues to the Proprietors,	-	560,000
Neat balance of cash, arising from the profits of trade, remaining in the Company's hands,	-	772,000
	£.	3,102,000.

By this calculation it is made manifestly to appear, that, by Mr. Sullivan's plan, the Proprietors are secured in a dividend of 14 *per cent.* out of the revenues, besides a clear profit in trade of 772,000 l. which would afford a further dividend of 10 *per cent.* and still leave 372,000 l. yearly, to be treasured up against accidents, or accumulated to the capital of the Company. Is not this, Gentlemen, to put your affairs on a flourishing condition? It is plain that I have exaggerated nothing: I have taken the revenues at the lowest computation, and have estimated the profits on your sales at a rate much inferior to what they ever in reality produced. Which of you, then, would not wish to see a treaty commenced with Government upon so advantageous a footing? It may be objected, that these are too good terms for Government to grant; but let us consider, that these advantages are not obtained at the expence of government; that they arise chiefly from the wise arrangement proposed as to the trade and increase of the capital; and that, on the contrary, Government is secured in a large and certain proportion of the revenues,

nues, without being involved in the intricacies of a multiplied traffick to get at them.

It has been said, that Government must still be puzzled with accounts, and may be drawn into disagreeable disputes with the Company. To this it is easy to reply, that accounts of cash are so simple in their nature, and those revenues being all received and paid away in cash, there can be no difficulty in coming at the balance; besides, were there any suspicion of unfair dealings, either from the Company or their servants, it would be an easy matter to establish comptrollers for the King, to check the collection in the country; and perhaps it might not be improper to allow to the Company a commission of one *per cent.* on the whole revenue collected, of which their governor might have a fourth. Thus by different ties of interest, uniting all parties, and at the same time making them reciprocal checks on one another. These are matters to be considered and adjusted in an amicable treaty with government.

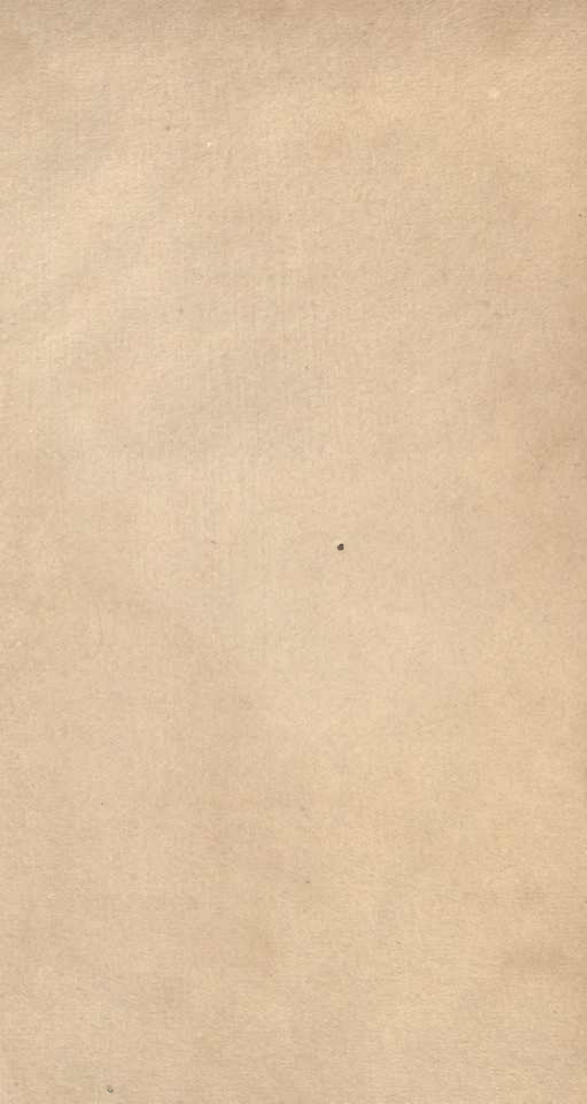
Upon the whole, the propositions given in by Mr. Sullivan, seem to be the only ones upon which you can rest the foundation of a treaty. He fairly separates the trade and revenues, and draws a distinct line between Government and Company, which neither can break through without endangering every thing. He likewise unites your interests so closely with those of the nation, that instead of clamouring against your exclusive trade, the public voice will be now raised in its favour, as the only means of maintaining and conveying safe into the coffers of the state an yearly revenue of a million, to sink the national debt, and relieve the industrious poor. All good men wish to see the mode fairly ascertained, and none but *would-be* ministers *weather-cock* politicians would desire to delay it. It is your immediate interests, Proprietors, to have this business brought to a conclusion, that you may be no longer frightened out out of your rights, and bubbled out of your property. Let us then join, and oblige our Directors to come to a resolution, and, instead of acting as we have done, like the
tools

tools of a factious opposition, shew ourselves willing to participate our successes with our fellow-subjects, and to settle every thing amicably with a wise virtuous administration.

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